



FmHA AN No. 1746 (1951)

April 11, 1988

SUBJECT: Use of the Farmer Program
Debt and Loan Restructuring System
(DALR\$)

TO: State Directors, District Directors, and
County Supervisors

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is issued to outline the policy for use of the Farmer Program (FP) Debt and Loan Restructuring System (DALR\$) software in servicing FP borrower accounts.

COMPARISON WITH PREVIOUS AN:

None Issued

IMPLEMENTATION RESPONSIBILITIES:

All States have received or will soon receive a distribution of the subject software. It is extremely important that the DALR\$ software be installed in County Offices as soon as possible, with priority for those offices with high farmer program caseloads.

All delinquent farmer program borrowers will have their financial situations analyzed through DALR\$, except for those in bankruptcy. If farm and home plans for the first year and year after deferral are not available, the most recent plan available should be used as a basis for determining the balance available and other data necessary for DALR\$ to evaluate feasibility of revised repayment terms. If DALR\$ indicates that servicing actions will result in a feasible plan for the borrower and the actions are permitted by the policies outlined in FmHA AN No. 1702 (1924) dated December 21, 1987, the borrower's account(s) will be serviced as indicated by DALR\$. Complete and up-to-date farm and home plans must be in place if repayment terms are revised based upon output from DALR\$.

EXPIRATION DATE: JUNE 30, 1988

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1951-A



1746(1951)

The borrowers for which DALR\$ does not find a set of actions which will permit a positive cash-flow will probably need further action when the regulations implementing The Farm Credit Act of 1987 are issued. Identification of these borrowers will permit the assessment of potential workload under the new regulations, including items such as the number of appraisals necessary, number of borrower meetings to be scheduled, and so on. Use of this information in advance planning will be vital to carry out the actions required by The Act on a timely basis.



VANCE L. CLARK
Administrator